

Service Date: September 12, 1997

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

In the Matter of the)	
Application of PACIFICORP for)	
(1) Authority to Issue and Sell)	UTILITY DIVISION
or Exchange not More Than)	DOCKET NO. D97.8.158
\$1,150,000,000 of Debt,)	DEFAULT ORDER NO. 6007
(2) Authority to Enter Into)	
Credit Support Arrangements)	
and (3) Authority to Enter Into)	
Currency Exchanges.		

On February 22, 1996, PacifiCorp (the Company) filed with the Montana Public Service Commission ("Commission") its verified petition requesting authority to (1) issue and sell or exchange, in one or more public offerings or private placements, fixed or floating rate debt (Debt) in the aggregate principal amount of not more than \$750,000,000 or, if the Debt is issued at an original issue discount, such greater amount as shall result in an aggregate offering price of not more than \$750,000,000 (or its equivalent amount in, or based upon, foreign currencies determined at the time of issue), (2) enter into letter of credit arrangements as may be necessary or appropriate, from time to time, to provide additional credit support for the payment of the principal of, the interest on, and the premium (if any) on the Debt, and (3) enter into one or more currency exchanges. On March 19, 1996, the Commission issued its Default Order No. 5900 approving the Company's request.

On August 21, 1997, the Company filed an application requesting a \$400,000,000 increase in its authority to issue Debt in this Docket, as the Company has issued \$700,000,000 of the Debt originally authorized. The Company requests that such authority remain in effect so long as the Company's senior secured debt has investment grade ratings from at least two nationally recognized ratings agencies.

Having fully considered the application and all of the exhibits, documents and matters pertaining thereto, the Commission makes the following Findings of Fact and Conclusions of Law, together with the Order based thereon:

FINDINGS OF FACT

1. The Company is a corporation organized and existing under and by virtue of the laws of the State of Oregon and is qualified to transact business in the State of Montana.
2. The Company is operating as a public utility as defined in § 69-3-101, MCA, and engaged in furnishing electric service in Montana.
3. This Commission has jurisdiction over the subject matter of this amended application pursuant to the provision of § 69-3-102, MCA.
4. The Company represents that the proposed issuance of securities, as amended, will be substantially as set forth in its original application in this Docket.

CONCLUSIONS OF LAW

1. The proposed issuances of additional Debt to which the application relates will be for lawful objects within the corporate purposes of the Company. The method of financing is proper.
2. The application should be approved.

ORDER

1. That the application of the Company for a \$400,000,000 increase in the Debt authority in this Docket is hereby approved.

2. The authority granted herein is in addition to the authority granted in Docket No. D96.2.25, Default Order No. 5900, except that the Debt approved by this Order increases the amount of Debt by \$400,000,000.

3. The authority granted herein shall remain in effect until December 31, 1998.

4. PacifiCorp shall file the following as they become available:

- a. The "Report of Securities Issued" required by 18 CFR 34.10.
- b. Verified copies of any agreement entered into in connection with the issuance of Debt pursuant to this Order.
- c. A verified statement setting forth in reasonable detail the disposition of the proceeds of each offering made pursuant to the order.

5. Nothing in this Order shall be construed to obligate the State of Montana to pay or guarantee in any manner whatsoever, any securities authorized, issued, assumed or guaranteed hereunder.

6. The issuance of an Order authorizing the proposed financing does not constitute determination or approval of the type of financing or the related costs for rate making purposes, which determination the Commission expressly reserves for the appropriate proceeding.

7. This Order shall be effective upon execution.

DONE IN OPEN SESSION at Helena, Montana, this 8th day of September, 1997, by a vote of 5 - 0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

DAVE FISHER, Chairman

NANCY McCAFFREE, Vice Chair

BOB ANDERSON, Commissioner

DANNY OBERG, Commissioner

BOB ROWE, Commissioner

ATTEST:

Kathlene M. Anderson
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.